

# Sebelius Administration Savings and Efficiency Projects

Since taking office in January 2003, Governor Kathleen Sebelius and her appointed agency heads have focused on making sure tax dollars spent by the State of Kansas do not go towards unnecessary costs, but are spent as much as possible on services directly benefiting Kansans.

Calculated as a total during her term, this redirected focus will generate over \$220.4 million in savings that previously were either spent in areas now eliminated by this administration, or was an area where the State of Kansas was not taking full advantage of its purchasing power or its power to collect debts.

The \$220.4 million in savings and efficiencies may be separated into four categories: Administrative, Common Sense, Financial, and Organizational. These can be found throughout state government.

In addition, the Kansas Department of Transportation restructured its debt, revised interest and earnings assumptions made when the \$13.6 billion Comprehensive Transportation Plan was passed in 1999, and rescoped setaside and maintenance programs. For the remaining five years of the 10-year construction program, those actions will save \$813,000,000.

Savings and Efficiency Category	Annual Savings	One-Time Savings	Total Savings Thru FY 2007
Administrative	\$ 3,191,431	\$ 27,715,543	\$ 43,172,986
Common Sense	1,145,138	10,687,444	43,572,927
Financial	7,010,239	58,550,564	81,446,162
Organizational	9,192,585	17,171,383	52,184,099
Subtotal--Savings & Efficiencies			\$ 220,376,174
Department of Transportation Savings	--	--	813,000,000
Total Savings through FY 2007			\$ 1,033,376,174

The following charts outline in detail the savings and efficiencies generated through FY 2007:

Administrative Savings and Efficiencies

Administrative Savings or Efficiency Category	Year	Annual Savings	One-Time Savings	Total Savings Thru FY
Share circuits on the KANWIN	2003	\$ 100,000	\$ --	\$ 450,000
Renegotiate contract with state toner cartridge provider	2004	132,000	--	462,000
Renegotiate contract for paper towel dispensers	2004	24,036	--	84,126
Renegotiate contract with state copier provider at Division of Printing	2004	249,400	15,543	888,443
Eliminate 20 individual contracts for refuse service and negotiate a lower rate	2004	29,000	--	101,500
Reduce the number of cell phones, pagers, copiers and printers	2003	38,856	--	174,852
New office supplies contract	2004	102,000	--	357,000
Renegotiate several state contracts to provide greater access and service to all state agencies, including consolidating contracts among various agencies	2005	1,088,415	--	2,721,038
Renegotiate Kansas Highway Patrol service agreement for Capitol Area	2005	353,707	--	884,267
Pay advices sent electronically to employees, reducing paper and postage	2003	500,000	--	2,250,000
Reduce the Lease Administration Fee from 8 cents to 3 cents per square foot, eliminating 2 DFM positions	2004	94,017	--	329,060
Renegotiate Department of Corrections food service contract	2003	--	4,000,000	4,000,000
Eliminate separate service contract for Medicaid dental program	2005	480,000	--	1,200,000
Additional savings through statewide changes in purchasing and information technology	2004	--	26,700,000	26,700,000
Renegotiate Other Copier and Fax Services	2005	1,285,350	--	2,570,700
YTD Total--Administrative Savings				\$ 43,172,986

Common Sense Savings and Efficiencies

Common Sense Savings or Efficiency Category	Year	Annual Savings	One-Time Savings	Total Savings Thru FY
Held Internet auctions to reduce property at State Surplus in advance of relocation to West Campus	2003	\$ --	\$ 155,451	\$ 155,451
Encourage greater use of online filing of tax forms, resulting in an average of 4 fewer FTE positions per year	2005	129,104	--	451,864
Centralized advertising for state agency positions in newspaper classified	2004	--	50,000	\$ 50,000
Eliminated printing of numerous reports by Accounts and Reports, switching to on-line publishing	2004	26,034	5,860	96,979
Sell surplus state property, disposing of 107 acres of farm land in Cowley	2003	--	70,000	70,000
Place a moratorium on the purchase of new vehicles for FY 2004 and FY 2005	2004/2005	3,400,000	17,900,000	24,700,000
Transfer operating funds from the Central Motor Pool to the State General Fund--and rework fleet management	2004	2,000,000	5,072,517	11,072,517
Printed 500 fewer budget books	2003	15,000	--	67,500
Mandate that all agencies eliminate 20.0 percent of dues and subscriptions	2003	250,000	--	1,125,000
Sell surplus state vehicles	2004	--	1,924,758	1,924,758
Turn off computers when not in use	2003	30,000	--	90,000
Stop printing paper phone directories	2003	45,000	--	135,000
Add timers to the Docking Building light circuits to allow lights to be turned off at nights and weekends	2003	150,000	--	675,000
Prohibit the use of state-owned vehicles for commuting	2003	500,000		2,250,000
Utility Conservation Measures, such as raising thermostats in the summer months and lowering it in the winter months on nights and weekends	2004	--	708,858	708,858
YTD Total--Common Sense Savings				\$ 43,572,927

Financial Savings and Efficiencies

Financial Savings or Efficiency Category	Year	Annual Savings	One-Time Savings	Total Savings Thru FY
Self-Insure state armories rather than paying for property insurance	2003	\$ 50,000	\$ --	\$ 225,000
Require Judicial Council to fund operations from publication fees	2003	185,000	--	832,500
Authorize the Board of Tax Appeals to charge filing fees to those seeking tax exemption applications	2004	300,000	--	1,050,000
Suspend the State Fair capital improvement transfer for one year	2003	--	300,000	300,000
End the Export Loan Guarantee Program and use fund balances to meet state financial needs	2003	--	824,164	824,164
Reduce the SGF Water Plan transfer to \$3.8 million, as the Legislature did in FY 2002	2003 & 2004	--	2,226,400	2,226,400
Shift operations of State Treasurer and Secretary of State to user fees	2003	2,300,000	--	10,350,000
Require fee-funded agencies to tighten up operations	2003	--	3,500,000	3,500,000
Instituted tax clearance program at Department of Revenue, ensuring new state hires and individuals and businesses are current on state taxes	2004	4,175,239	--	10,438,098
Instituted tax amnesty program to encourage payment of back taxes	2003	--	21,000,000	21,000,000
Instituted tax amnesty program to encourage payment of back taxes	2004	--	30,700,000	30,700,000
YTD Total--Financial Savings				\$ 81,446,162

Organizational Savings and Efficiencies					
Organizational Savings or Efficiency Category	Year	Annual Savings	One-Time Savings	Total Savings Thru FY	
Department of Commerce:					
AG Division closed field office and eliminated a position	2005	\$ 47,000	\$ --	\$ 164,500	
Reduced FLOK position to half-time	2004	22,000	--	99,000	
Eliminated CDBG position (EDRII)	2004	44,000	--	198,000	
Reduced PRIDE position to half-time	2004	22,000	--	99,000	
Eliminated agency newsletter "Developing Kansas"	2005	50,000	--	125,000	
Eliminated Community Planning Grants Program	2005	78,000	--	273,000	
Eliminated Export Loan Guarantee Program	2005	--	980,000	980,000	
Reduced Trade Division by 1.0 FTE (EDRIV)	2004	50,000	--	225,000	
Reduce Admin. Asst. in Trade to half-time	2004	15,000	--	67,500	
Eliminated Tourism staff position at KCK TIC	2004	42,000	--	189,000	
Eliminated part-time position in Tourism	2004	10,000	--	45,000	
Closed KC Travel Center on 6/30/2005	2005	96,000	--	240,000	
Moved Tourism coop advertising to TIAK	2005	40,000	--	140,000	
Reduced grants to CDC's & SBDC's	2003	188,000	--	1,034,000	
Eliminated Training Equipment Grants	2003	178,000	--	979,000	
Reductions to KEIOF & KEIEP	2003	--	85,000	85,000	
Eliminated KEIEP in FY 2006	2005	300,000	--	750,000	
Collaboration of pharmaceutical purchasing efforts	2003	--	13,730,000	13,730,000	
Consolidation of SRS areas from 11 to 6	2004	1,014,184	--	3,549,644	
Realignment of SRS area offices (rent, utilities, etc.)	2003	228,009	--	1,026,041	
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Realignment of SRS area offices (rent, utilities, etc.)	2005	155,500	--	388,750	
Combine operations of Federal and State Surplus Property	2004	80,000	--	280,000	
Department of Administration eliminated mandatory use of uniform pants for housekeeping and maintenance staff	2003	25,000	--	112,500	
Move KDHE administrative appeals function to the Office of Administrative Hearings and eliminate 2.5 FTE positions	2003	30,585	--	137,633	
Eliminate one member of Parole Board	2003	122,898	--	553,041	
Continue to follow the ACA accreditation guidelines for the correctional facilities, but allow accreditation to lapse and eliminate associated positions	2003	136,793	--	615,569	
Streamline the management functions of Printing, Purchasing and Facilities Management	2003	150,000	--	675,000	
Streamline the operations of the Division of Personnel Services and D of A Personnel Division, eliminated 16.5 positions and continue to hold a number of vacant positions	2005	1,100,000	--	2,750,000	
Eliminated the Ombudsman for Corrections	2003	165,000	--	742,500	
Reduce the Marketing and Outreach Commission at the Department of Aging to 2.0 positions--eliminating 10.0 FTE position, while retaining positions relating to the Older Americans Act	2003	231,140	--	1,040,130	
Reduce the Board of Tax Appeals from five to three members	2003	329,486	--	1,482,687	
Transfer nursing home inspection from KDHE to the Department on Aging and use the transferred employees to perform Quality Review	2003	684,256	--	3,079,152	
Mandate that all state agencies participate in the Accounts Receivables Setoff Program	2003	1,500,000	--	6,750,000	
Make CHES fee-funded in 2004 and raise the fee for each document obtained through the Office of Vital Statistics by \$1	2004	1,835,134	--	6,422,969	
Do not construct a new building for Highway Patrol Troop F and search for available space in the current market	2003	--	2,376,383	2,376,383	
YTD Total--Organizational Savings				\$ 52,184,099	